GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

STARRED QUESTION NO:330
ANSWERED ON:14.03.2006
STAMP PAPER SCAM
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Will the Minister of HOME AFFAIRS be pleased to state:

(a) the number of persons arrested and convicted in the multi-crore stamp paper scam, State-wise;

(b) the amount of fake stamp papers seized so far;and

(c) the steps taken to prevent such incidents in future?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MANIKRAO HODLYA GAVIT):

(a) to (c) 509 accused persons have been arrested and 6 accused persons have been convicted in the cases investigated by the Central Bureau of Investigation (CBI) in connection with the stamp paper scam. State-wise details of arrested and convicted persons are given in the enclosed statement. The convicted persons included Abdul Karim Telagi and two of his close associates.The total amount of fake stamp papers seized in the above-mentioned case is about Rs. 33,96,02,57,180(approx).The Government of India has taken the following steps to check recurrence of such cases:

(i) Based on the recommendations of the Working Group on Non-Judicial Stamp Paper (NJSP), additional security features have been approved for incorporation in the NJSP. The new security features will make counterfeiting difficult.

(ii) The Stamp Act has been amended to facilitate modern methods of revenue collection.

(iii) The curtail erratic and unrealistic indents, the States are now required to pay 30% amount of the indented value of the NJSP in advance and balance 70% at the time of taking delivery. They are also required to place 3 years rolling indent and follow a six monthly supply schedule to ensure realistic indent and better production planning.

(iv) To eliminate the possibility of pilferage and theft en-route, the supplies to indentors is made on Free on Rail (F.O.R.) basis at Security Printing Press, Hyderabad as is the practice at India Security Press, Nasik.

Statement
Details of Persons arrested & convicted in Stamp Paper Scam

State/UTs/Agencies	Persons Arrested	Persons Convicted
1	2	3
Gujarat	12	â€”
West Bengal	â€”	â€”
Delhi	48	â€”
Karnataka	87	3

Tamil Nadu 10 -

Maharashtra 234 -

Kerala 6 -

Andhra Pradesh 79 -

Bihar 3 -

Uitar Pradesh 9 -

Madhya Pradesh 2 -

Railway Protection Force 9 -

India Secunty Press, Nasik 10 -

Total 509 06

This figure includes the names of those accused also, who have been arrested in more than one case).